



SOUTHERN CALIFORNIA  
**EDISON**<sup>®</sup>

An *EDISON INTERNATIONAL*<sup>®</sup> Company

---

---

# **Distributed Generation Solutions Request for Proposal**

---

---

## ***Participant Instructions***

***Version 1.0  
Posted June 13, 2014***

**TABLE OF CONTENTS**

**ARTICLE ONE. GENERAL INFORMATION .....1**

**1.01** Introduction.....1

**1.02** Purpose of the RFP Instructions. ....1

**1.03** Document Conflicts. ....1

**1.04** Communications. ....1

**ARTICLE TWO. DISTRIBUTED GENERATION SOLUTION REQUIREMENTS.....2**

**2.01** Distributed Generation Solutions.....2

**2.02** General Requirements.....2

**2.03** Distributed Generator Eligibility Requirements. ....3

**2.04** Project Specific Requirements.....4

**ARTICLE THREE. DGS RFP SOLICITATION AND PROPOSAL E-BINDER  
SUBMITTAL PROCESS.....4**

**3.01** RFP Schedule.....4

**3.02** RFP Web Conference. ....4

**3.03** Distributed Generator’s Proposal e-Binder.....5

**3.04** Proposal e-Binder Submittal Process.....5

**3.05** Adobe Acrobat (\*.pdf) Files. ....6

**3.06** Documents in the Proposal e-Binder. ....6

**3.07** Proposal e-Binder File Updates. ....8

**ARTICLE FOUR. EVALUATION AND SELECTION .....9**

**ARTICLE FIVE. CREDIT AND COLLATERAL .....9**

**5.01** Introduction.....9

**5.02** Credit and Collateral during the Term.....9

**ARTICLE SIX. REGULATORY APPROVAL.....10**

**6.01** Support for Regulatory Purposes.....10

**ARTICLE SEVEN. CONFIDENTIALITY AND CONDUCT .....10**

**ARTICLE EIGHT. WAIVERS AND RESERVATION OF RIGHTS .....10**

**8.01** Termination of the DGS RFP. ....10

**8.02** Obligations of Distributed Generator.....11

**8.03** Waived Claims.....11

**LIST OF EXHIBITS**

*(Exhibits immediately follow ARTICLE EIGHT of these RFP Instructions.)*

*EXHIBIT A - FORM OF PROPOSAL STRUCTURE LETTER*

*EXHIBIT B - DISTRIBUTED GENERATOR'S ACKNOWLEDGEMENTS*

*EXHIBIT C - NON-DISCLOSURE AGREEMENT*

*EXHIBIT D - ALRS DESCRIPTION AND COST ESTIMATE*

*EXHIBIT E - PROJECT LOCATION MAP*

## **LIST OF ATTACHMENTS**

- A. DGS Proposal Template
- B. Pro Forma DGS Agreement, including Exhibits B and G thereof (Designated Load Agreement and Added Facilities Agreement respectively)

*SCE Comment: Attachment A and Attachment B are available at [on.sce.com/dgs](http://on.sce.com/dgs).*

## **ARTICLE ONE. GENERAL INFORMATION**

### **1.01 Introduction.**

In accordance with California Public Utilities Commission (“CPUC”) Decision D.03-02-068 and the Southern California Edison (“SCE”) Vote Solar Initiative (“VSI”) Settlement Agreement and related documents (including the SCE Proposed Methodology and Model Contract) SCE is issuing its pilot 2014 Distributed Generation Solution (“DGS”) Request for Proposal (“RFP”) to solicit proposal(s) (“Proposal(s)”) from owners and operators (“Distributed Generator”) of Distributed Generation Facilities<sup>1</sup> to provide Distributed Generation Solutions to SCE, as described in Section 1.02 and Article Two of these DGS RFP Participant Instructions (“RFP Instructions”).

### **1.02 Purpose of the RFP Instructions.**

These RFP Instructions provide an overview of the processes that SCE will use to implement this DGS RFP, and set forth SCE’s and each Distributed Generator’s rights and obligations with respect to this DGS RFP. These RFP Instructions also describe the procedures that each Distributed Generator must adhere to and the requirements that each must satisfy with respect to its Proposal(s) in order to be eligible to participate in this DGS RFP. Furthermore, while these RFP Instructions outline certain terms and conditions applicable to this DGS RFP, this outline is only provided for reference purposes and is not intended to be comprehensive.

SCE retains the right, in its sole judgment, to modify these RFP Instructions, and any of the Exhibits or Attachments, as it deems necessary.

### **1.03 Document Conflicts.**

If there is a conflict or inconsistency between the terms and conditions contained in these RFP Instructions and the terms and conditions contained in the Pro Forma Agreement for Provision of Distributed Generation Solution (“DGS Agreement”) attached to these RFP Instructions as Attachment B, the terms and conditions contained in the DGS Agreement will prevail. Notwithstanding the foregoing, the terms and conditions of any agreement executed by SCE and Distributed Generator as part of this DGS RFP (“Final Agreement”) will prevail over these RFP Instructions, including any Exhibits or Attachments hereto.

### **1.04 Communications.**

For purposes of this DGS RFP, “Communications” means the exchange of any material information by electronic, written, oral or other means other than as expressly provided for herein.

Questions relating to this DGS RFP should be addressed to SCE via email at:

---

<sup>1</sup> Capitalized terms used in these RFP Instructions, but not otherwise defined herein, have the meanings set forth in the DGS Agreement.

## ARTICLE TWO. DISTRIBUTED GENERATION SOLUTION REQUIREMENTS

### 2.01 Distributed Generation Solutions.

Although more explicitly defined in the DGS Agreement, “Distributed Generation Solution” is a product that includes new or existing generating capacity on a designated distribution circuit combined with the ability for SCE to disconnect identified load (as proposed by Distributed Generator in its Proposal) in the event the Electrical Net Demand exceeds the Firm Service Level as required under the DGS Agreement. If a Proposal is selected, SCE will make fixed monthly payments to the Distributed Generator during the Term in the amount specified in the selected Proposal. A conforming Proposal will be selected if, among other criteria, the costs of the payments to the Distributed Generator are sufficiently less than the savings SCE expects to realize by deferring the construction of certain identified distribution system upgrades.<sup>2</sup>

**NOTE: This is not a solicitation for SCE to purchase energy produced by the Distributed Generation Facility, nor will SCE act as the Scheduling Coordinator (as defined in the California Independent System Operator (“CAISO”) Tariff) for, or otherwise market energy or other product produced by, the Distributed Generation Facility. Distributed Generator will be solely responsible for making arrangements for the sales of the energy and other related products produced by the Distributed Generation Facility.**

### 2.02 General Requirements.

SCE will consider all timely Proposals, submitted pursuant to these RFP Instructions, from any Distributed Generator that proposes to provide Distributed Generation Solutions to SCE as follows:

- (a) Project Location. SCE’s Distribution Engineering has selected a substation and feeder circuit location (“Project Location”) suitable for Distributed Generation Solutions. The Project Location is set forth in Section 2.04 and in Exhibit E.
- (b) DGS In-Service Date. The DGS In-Service Date for each DGS project is the date by which, if the Distributed Generation Solution is not installed, tested and ready for commercial operation, SCE may terminate the DGS Agreement. The DGS In-Service Date for the Project Location is identified in Section 2.04 and will be specified in the DGS Agreement.
- (c) Contract Capacity and Designated Load. Each Proposal must include at least the minimum amount of distributed generating capacity and corresponding load reduction capability for the Project Location. The minimum distributed generating capacity is identified in Section 2.04. Multiple distributed generating

---

<sup>2</sup> The valuation and selection methodology is described in more detail in Article Four of these RFP Instructions.

capacity and corresponding load reduction capability projects can be aggregated together and shall be submitted as a single proposal. If multiple projects are included in a Proposal, the minimum amount of generation and load reduction capability required for each project is 1 MW.

- (d) Term. The Term of the DGS Agreement will be thirty-six (36) months from the DGS In-Service Date.
- (e) Automated Load Reduction Scheme (“ALRS”) Description. An ALRS is comprised of communication, relaying, control, and other appurtenant equipment and software, designed to automatically disconnect the Designated Load from SCE’s distribution system to effectuate the Physical Load Reduction Assurance required under the DGS Agreement, and associated Designated Load Agreement (“DLA”) and Added Facilities Agreement (“AFA”), the forms of which are attached thereto as Exhibits B and G, respectively. The ALRS will be designed, installed, and operated by SCE. More details regarding the ALRS, including typical costs, can be found in Exhibit D of these RFP Instructions.

The Distributed Generator must provide a Proposal based on SCE's ALRS as detailed in Exhibit D. However, SCE recognizes that other methods may exist that could provide a similar level of grid reliability without the use of a utility-owned ALRS. As an alternative, Participants may also provide one or more Proposals based upon other physical load reduction assurance options. Participant proposals for physical load reduction assurance could utilize customer-owned equipment and control schemes, devices, technologies, arrangements, and methodologies that would reduce, limit or disconnect the load as needed to assure grid reliability. These alternatives will be subject to SCE review and approval to assure system security and reliability.

- (f) Interconnection. Distributed Generator must be interconnected to the applicable Project Location distribution circuit on or before DGS In-Service Date. The interconnection process is separate from this DGS RFP. Distributed Generators interested in more information regarding the interconnection process may refer to SCE’s Interconnection FAQ website at [www.sce.com/gridinterconnection](http://www.sce.com/gridinterconnection).

### **2.03 Distributed Generator Eligibility Requirements.**

A Distributed Generator must meet all of the following criteria in order to be eligible to provide a Proposal in this DGS RFP:

- (a) SCE Affiliate Participation - SCE affiliates are permitted to participate in the DGS RFP. Distributed Generator must disclose whether or not it is an SCE affiliate.
- (b) Distributed Generator must obtain a letter of agreement from each Designated Load Customer in order to provide evidence of load reduction capability.

**2.04 Project Specific Requirements.**

Subject to additional terms and conditions set forth in the DGS Agreement, the requirements for the Project Location are as follows:

Project Location (See Exhibit E)	DGS In-Service Date	Minimum Contract Capacity and Load Reduction Capacity	DGS Agreement Term	Historical Peak Dates	Historical Peak Hours
Rancho Cucamonga	6/1/2016	1.9 MW	36 Months	June 1 – Sep 30	1:00pm - 7:00pm

An estimate of the cost for the ALRS, ITCC, One-Time Cost and Removal Cost is set forth in Exhibit D.

**ARTICLE THREE. DGS RFP SOLICITATION AND PROPOSAL E-BINDER SUBMITTAL PROCESS**

**3.01 RFP Schedule.**

Please review the below table to ensure that all documents are submitted in a timely manner.

<i>Date</i>	<i>Event</i>
<i>Tuesday May 13, 2014</i>	SCE notifies industry of DGS RFP pending launch.
<i>Friday June 13, 2014</i>	SCE launches DGS RFP.
<i>Tuesday July 1, 2014</i>	SCE hosts a DGS RFP Web Conference.
<i>Friday August 15, 2014</i>	Deadline for Distributed Generator to deliver the Proposal(s), as set forth in Sections 3.03 and 3.04 of these RFP Instructions.
<i>Monday September 15, 2014</i>	Deadline for SCE to advise Distributed Generators on the status of their Proposals relative to SCE’s short list.
<i>Thursday October 30, 2014</i>	Deadline for SCE and short-listed Distributed Generators to complete negotiation of the Final Agreements.
<i>Friday November 14, 2014</i>	Deadline for SCE and Distributed Generators (and Designated Load Customer, as applicable) to execute Final Agreements.
<i>[30 days after Effective Date of DGS Agreement]</i>	Deadline to post Collateral Amount.
<i>Friday December 12, 2014</i>	Deadline to submit report on the results of the Pilot DGS RFP to the CPUC.

**3.02 RFP Web Conference.**

SCE will host a DGS RFP Web Conference with potential Distributed Generators. The purpose of this conference is to inform potential Distributed Generators of the DGS RFP process, as well



as to answer pertinent questions regarding this DGS RFP. Details regarding the DGS RFP Web Conference will be provided on SCE's website ([on.sce.com/dgs](http://on.sce.com/dgs)) and via email notification.

### **3.03** Distributed Generator's Proposal e-Binder.

- (a) Distributed Generator should not submit printed copies of the Proposal.
- (b) Distributed Generator must submit an electronic version of the Proposal binder ("Proposal e-Binder"). One Proposal e-Binder may contain information describing the Distributed Generation Solution, including all distributed generators and Designated Load Customers. Proposal e-Binders must be received by SCE by the Proposal Due Date set forth in the RFP Schedule.
- (c) Distributed Generator must mail or otherwise physically deliver to SCE one (1) USB flash drive, Compact Disc, or Digital Video Disk ("Physical Electronic Media") for each Proposal e-Binder.
- (d) Distributed Generator must affix a label that:
  - (i) Is securely bound to the Physical Electronic Media, and
  - (ii) Clearly indicates the Distributed Generator's name.
- (e) The contents of each Physical Electronic Media shall ideally contain seven (7) files, each file corresponding to each of the seven (7) sections described in Section 3.06 below. If Distributed Generator is unable to do this (e.g., Distributed Generator has multiple files pertaining to a given section described in Section 3.06, then SCE requests Distributed Generators to create seven (7) directories on the Physical Electronic Media, each such directory corresponding to each of the seven (7) sections described in Section 3.06, with each directory containing the respective file(s).
- (f) If Distributed Generator does not have, or is unable to, obtain any of the information or documents called for in Section 3.06 or if any of the requirements do not apply to a particular Distributed Generator's Proposal, **Distributed Generator must clearly indicate (via a file or files saved onto the Physical Electronic Media) which information or document is missing and the reason it is not included in Distributed Generator's Proposal.**

### **3.04** Proposal e-Binder Submittal Process.

By 5:00 PM Pacific Prevailing Time on August 15, 2014, Distributed Generator must submit to SCE a complete nonbinding indicative Proposal consisting of each of the applicable documents set forth in Section 3.06 and conforming to these RFP Instructions ("Complete Proposal Submittal Package"). The Complete Proposal Submittal Package must be delivered to SCE as follows:

- (a) One Complete Proposal Submittal Package will be submitted for each Proposal. A Proposal may include a single Distributed Generator and designated load customer or multiple Distributed Generators and Designated Load Customers.

**Note:** Multiple Proposal forms are required for a Proposal that includes multiple Distributed Generators and Designated Load Customers. These forms will be compiled by the Distributed Generator and submitted as one Proposal.

- (b) Proposal e-Binders must be sent to:

Southern California Edison Company  
3 Innovation Way  
Pomona, CA 91768

Attention: Christopher Ohlheiser  
Transmission & Distribution

SCE is not responsible for Proposals received after the submittal deadline due to unsuccessful delivery or otherwise. SCE will only consider submissions that, as of the submittal deadline, constitute a Complete Proposal Submittal Package.

A Complete Proposal Submittal Package is a Proposal that is submitted in accordance with these RFP Instructions and must include all of the documents in Section 3.06, as applicable to each Proposal.

**3.05** Adobe Acrobat (\*.pdf) Files.

As described below in Section 3.06, in many instances SCE will accept certain submissions in either MS Word (\*.doc) or Adobe Acrobat (\*.pdf) format. If Distributed Generator chooses to send those files as a PDF, they must be *searchable* files so that SCE may be able to use the Adobe search function to easily locate particular words or phrases within the respective files. Therefore, ***do not scan*** a document with a scanner device to create the PDF. Scanned files are not searchable. Instead, ensure that you have the professional version of Adobe Acrobat, and then ***print*** the file to Adobe by selecting “Adobe PDF” from your printer drop-down menu. A printed-to-Adobe PDF file is searchable.

**3.06** Documents in the Proposal e-Binder.

The Distributed Generator Proposal e-Binder should contain the following seven (7) files or directories:

- (a) File (or Directory) #1, Proposal Structure Letter (see Attachment A).

Distributed Generator must compose and sign a Proposal Structure Letter, which:

- (i) States the Distributed Generator name;

- (ii) States the Designated Load Customer's name;
- (iii) States the address of the Distributed Generation Facility location;
- (iv) States the address of the Designated Load location; and
- (v) Identifies any special circumstances or unique considerations within the Proposal.

\*\*The letter file name must be in the form "*Distributed Generator Name*\_Proposal Structure Letter.doc (or searchable \*.pdf)".

(b) File (or Directory) #2, DGS Proposal Template.

One (1) Proposal Template for each Distributed Generator and project configuration pertaining to the same Proposal.

\*\*The template file name must be in the form "*Distributed Generator Name*\_Proposal Template.xls (or \*.xlsm)".

(c) File (or Directory) #3, Distributed Generation Facility Description and One-Line Diagram.

This is expected to be the electrical and generating characteristics of the Distributed Generation Facility provided to SCE (and approved by SCE) by the Distributed Generator in its response to this DGS RFP. A written description of the Distributed Generating Facility containing:

- (i) information about the major and auxiliary equipment of the Distributed Generating Facility, including descriptions of:
  - (1) The nameplate for each generating unit; and
  - (2) Prime mover technology.
- (ii) One-line diagram(s) (as required in the Pro Forma DGS Agreement).
  - (1) This is expected to be the electrical single-line (including Distributed Generation Facility and Designated Load).
- (iii) Scaled plot plan of Distributed Generation Facility including Distributed Generation Facility equipment, structures, buildings, and roadways.

\*\*The generating facility description file name must be in the foerm "*Distributed Generator Name*\_Facility Description.doc (or searchable \*.pdf)".

(d) File (or Directory) #4, Designated Load Description.

- (i) This is expected to describe the existing and future electrical load types and daily profile (excluding existing generation) of the Designated Load.

\*\*The electrical and load characteristics file name must be in the form “*Distributed Generator Name*\_Load Description.doc (or searchable \*.pdf)”.

(e) File (or Directory) #5, Proposed changes to the applicable Pro Forma DGS Agreement, and associated DLA.

Distributed Generators may propose modifications to the Pro Forma DGS Agreement and associated DLA by providing a redlined agreement which is submitted as part of their submitted Proposal. SCE will only consider Proposals that are substantially complete and include all of the applicable information and representations, warranties and covenants as set forth in the Pro Forma DGS Agreement and associated DLA.

\*\*The redlined agreement must be in a clean MS Word (\*.doc). The file name must be in the form “*Distributed Generator Name*\_Agreement.doc”.

(f) File (or Directory) #6, Site Description.

(i) A legal description of the real property comprising the Site (e.g., township(s), section and range of project or metes and bounds). A description of Distributed Generator’s legal control of the Site, including any necessary easements and rights-of-way or plan for acquiring control of any portions of the Site, easements and rights-of-way that Distributed Generator does not already control, along with a timeline for completing all associated activities to be provided prior to any Final Agreement being executed

(ii) A Site map.

\*\*The site description file name must be in the form “*Distributed Generator Name*\_Site Description.doc (or searchable \*.pdf)”.

(g) File (or Directory) #7, Distributed Generator Acknowledgements and Designated Load Letter.

Distributed Generator must provide (i) a signed Distributed Generator Acknowledgement in the form of Exhibit B, and (ii) a letter from the Designated Load Customer stating that it has read and understands the DLA and intends to enter into such agreement if the parties are able to reach agreement on the terms of Distributed Generator’s Proposal.

**3.07** Proposal e-Binder File Updates.

(a) If Distributed Generator should need to send one or more updates to any of the above files:

(i) The respective file name(s) for such update(s) must be written to logically communicate to SCE:

(1) the version number (e.g., v2) of the update file, and

- (2) the file being replaced.
- (b) Distributed Generator must email all update files to:
  - (i) SCE at DistributedGenerationSolutions@sce.com

#### **ARTICLE FOUR. EVALUATION AND SELECTION**

The three main steps undertaken by SCE in evaluating and ranking the Proposals are: (i) initial data gathering and validation, (ii) a quantitative assessment of Proposals, and (iii) adjustments to selection based on Proposals' qualitative attributes.

Once Proposals are received, SCE begins an initial review for completeness and conformity with the RFP Instructions. The review includes an initial screen for required submission criteria such as a conforming point of interconnection, a minimum project size, and the submission of particular Proposal package elements. If Proposals are lacking any of these items, the Distributed Generator is allowed a cure period determined by SCE to remedy any deficiencies. Following this check for conformity, SCE will determine which Proposals are clear outliers. For Proposals deemed clear outliers, SCE will conclude any further review. For the remaining Proposals, SCE will conduct an additional review to determine the reasonableness of Proposal parameters, including the feasibility of the Physical Load Reduction Assurance, Distributed Generating Facility's technology and development milestone schedule. At its discretion, SCE will work directly with Distributed Generators to resolve any issues and ensure data is ready for evaluation.

Proposals passing all of the qualitative evaluations described above may be short-listed if (1) the cost of the payments to the Distributed Generator are less than the savings SCE expects to realize by deferring the construction of certain identified distribution system upgrades, and (2) in the event that more than one Proposal meets these criteria, SCE will select the Proposal with the lowest costs.

#### **ARTICLE FIVE. CREDIT AND COLLATERAL**

##### **5.01 Introduction.**

SCE requires that Distributed Generators post Collateral (either cash in U.S. Dollars or a letter of credit acceptable to SCE). SCE reserves the right to disqualify those Distributed Generators that are unwilling or unable to meet these credit requirements and may, in its sole discretion, consider alternative or supplementary strategies to mitigate SCE's credit exposure to the Distributed Generators.

##### **5.02 Credit and Collateral during the Term.**

Distributed Generators should review in detail the terms that address the credit and collateral requirements set forth in the DGS Agreement.

Distributed Generators will be required to post and maintain a Collateral Amount to cover a portion of SCE's risk exposure resulting from obligations owing to SCE as a result of any Event of Default as defined in the DGS Agreement.

Accordingly, SCE requires Distributed Generators to submit proposals based upon the assumption that Distributed Generators will post SCE's pro forma Collateral Amount which is equal to twenty dollars (\$20) for each kilowatt of the Contract Capacity of the Distributed Generating Facility. The Collateral Amount will be held by SCE and must be in the form of either a cash deposit or a Letter of Credit acceptable to SCE. If Distributed Generator establishes the Collateral Amount in the form of a cash deposit, SCE shall make a Simple Interest Payment to Distributed Generator in accordance with the terms of the DGS Agreement.

The Collateral Amount must be posted to SCE and maintained at all times from the thirtieth (30th) day following the Effective Date through the end of the Term and thereafter until such time as Distributed Generator has satisfied all obligations which survive any termination of the DGS Agreement, not to exceed one year following the end of the Term.

## **ARTICLE SIX. REGULATORY APPROVAL**

### **6.01 Support for Regulatory Purposes.**

By submitting a Proposal, Distributed Generator agrees to cooperate and to provide information requested by SCE for purposes of regulatory filings in connection with this DGS RFP as may be applicable, and as more specifically set forth in the DGS Agreement.

## **ARTICLE SEVEN. CONFIDENTIALITY AND CONDUCT**

Distributed Generator is under confidentiality obligations upon submittal of a Proposal in accordance with the terms of the Non-Disclosure Agreement attached to these RFP Instructions as Exhibit C.

The Parties shall act in good faith in their dealings with each other with respect to this DGS RFP, provided that the SCE's exercise of its rights in its sole discretion shall be deemed in good faith.

## **ARTICLE EIGHT. WAIVERS AND RESERVATION OF RIGHTS**

### **8.01 Termination of the DGS RFP.**

SCE reserves the right in its sole discretion at any time to modify any dates specified in this DGS RFP or abandon this DGS RFP without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Distributed Generator.

SCE will not be deemed to have accepted any Proposal, and will not be bound by any term thereof, unless and until authorized representatives of SCE and Distributed Generator execute a final DGS Agreement and related agreements ("Final Agreements").

## **8.02 Obligations of Distributed Generator.**

Distributed Generator bears sole responsibility for submitting all applications and obtaining all permits, leases or mortgages, and interconnection, financing and other agreements necessary for Distributed Generator to perform under the DGS Agreement, the DLA and AFA.

The Distributed Generator shall be solely responsible for any expenses including attorneys' and consulting fees incurred by it as a result of this DGS RFP. Distributed Generator further acknowledges and agrees that SCE shall have no liability for, nor bear any costs or expenses associated with:

- (a) Time required to complete any studies, obtain any required permits for Distributed Generation Facility operation, or enter into any agreements discussed or contemplated under this DGS RFP (including without limitation interconnection studies, leases, mortgages, financing or permits);
- (b) Time required to perform construction for network upgrades necessary to meet the DGS In-Service Date;
- (c) Time to construct the Distributed Generation Facility;
- (d) Actual cost of any network upgrades to the extent the actual costs differ from the estimates provided in the interconnection studies;
- (e) Time required to acquire any environmental permits to construct or operate, including acquisition of any emission credits required by law or regulation; or
- (f) Failure to reach agreement on, or time to reach agreement regarding, the use of SCE property for the Site.

## **8.03 Waived Claims.**

By submitting a Proposal, Distributed Generator knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum, including without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California ("State Court") or any United States District Court ("Federal Court") concerning or related in any way to the DGS RFP or these RFP Instructions, including all exhibits, attachments, and appendices thereto ("Waived Claims"). Distributed Generator further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Distributed Generator's Proposal has not already been disqualified, SCE is entitled to automatically disqualify this Proposal from further consideration in the DGS RFP or otherwise, and further, SCE may elect to terminate the DGS RFP.

By submitting a Proposal, Distributed Generator further agrees that the sole forum in which Distributed Generator may assert any challenge with respect to the conduct or results of the DGS RFP is at the CPUC. Distributed Generator further agrees that: (1) the sole means of challenging the conduct or results of the DGS RFP is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations, (2) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the DGS RFP in accordance with these RFP Instructions; and (3) the exclusive remedy available to Distributed Generator in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the DGS RFP that the CPUC determines was not previously conducted in accordance with these RFP Instructions (including exhibits, attachments, and appendices). Distributed Generator expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs and/or attorneys' fees. Unless SCE elects to do otherwise in its sole discretion, during the pendency of such a protest the DGS RFP and any related regulatory proceedings related to the DGS RFP will continue as if the protest had not been filed, unless the CPUC issues an order suspending the DGS RFP or SCE has elected to terminate the DGS RFP.

Distributed Generator further acknowledges and agrees that if Distributed Generator asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Distributed Generator's claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Eight and that Distributed Generator will not challenge or oppose such a request for dismissal. Distributed Generator further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Distributed Generator shall pay SCE's full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys' fees.

Distributed Generator agrees to indemnify, defend and hold harmless SCE from any and all claims by the intended Designated Load Customer, or any other Distributed Generator asserted in response to the assertion of any Waived Claim by Distributed Generator or as a result of a Distributed Generator's protest to a filing at the CPUC resulting from the DGS RFP.

Except as expressly provided in the RFP Instructions, nothing in the RFP Instructions, including Distributed Generator's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

---

\*\*\* *End of ARTICLES*\*\*\*



**EXHIBIT A**  
*Form of Proposal Structure Letter*

*Form of Proposal Structure Letter*

*[Insert Distributed Generator's Letterhead]*

\_\_\_\_\_, 201\_

Southern California Edison Company  
3 Innovation Way  
Pomona, CA 91768

Attention: Christopher Ohlheiser

Subject: SCE's 2014 Distributed Generation Solutions Request for Proposal

Regarding: *[Short Form of Distributed Generator's Name]* Proposal

Dear Christopher,

*[Please refer to Section 3.06 (a) for applicable content.]*

Very truly yours,

\_\_\_\_\_  
*[A person with authority to legally bind Distributed Generator]*

*Name*

*Title*

**EXHIBIT B**

*Distributed Generator's Acknowledgements*

## **Distributed Generator's Acknowledgements**

*[Distributed Generator's full name]* ("Distributed Generator") hereby acknowledges receipt of the Southern California Edison Company's pilot 2014 Distributed Generation Request for Proposals, Participant Instructions dated [\_\_\_\_\_, 2014] (the "RFP Instructions"), and all exhibits and attachments to the RFP Instructions.

Distributed Generator agrees to be fully bound by *all* terms and conditions of the RFP Instructions in submitting its Proposal in response to the DGS RFP.

In addition to the foregoing, Distributed Generator acknowledges and agrees as follows:

1. Distributed Generator has reviewed any and all updates to the RFP Instructions as posted on the SCE website ([on.sce.com/dgs](http://on.sce.com/dgs)).
2. Distributed Generator has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the RFP Instructions and Distributed Generator's Proposal.
3. Distributed Generator has obtained all necessary authorizations, approvals and waivers, if any, required by Distributed Generator as a condition of submitting its Proposal, including a letter from the Designated Load Customer as described in Section 3.06(g) of these RFP Instructions; and, if Distributed Generator's Proposal is selected, Distributed Generator has obtained or will obtain all necessary authorizations, approvals and waivers, if any, required by Distributed Generator and Designated Load Customer to execute a Non-Disclosure Agreement with SCE using the form set forth in Attachment C of the RFP Instructions.
4. Distributed Generator is submitting its Proposal subject to all applicable laws including, but not limited to, the Federal Power Act and all amendments thereto, and Public Utilities Code sections 383.5, 399.11 et seq., and 454.5.
5. Distributed Generator's proposed Contract Price is calculated based upon the assumptions that Distributed Generator will post a Collateral Amount equal to the amount as required in Section 3.1 of the DGS Agreement.
6. Distributed Generator has not engaged, and will not engage, in Communications (as defined in Section 1.04 of the RFP Instructions) with any other Distributed Generator to the DGS RFP concerning the price terms contained in a Distributed Generator's Proposal or related matters, and has not engaged in collusion or other unlawful or unfair business practices in connection with the DGS RFP.
7. Distributed Generator has provided its Proposal in good faith with the intention of negotiating with and reaching agreement with SCE on the terms of the Final Agreements (as defined in the RFP Instructions) based substantially on the form of the DGS Agreement set forth in Attachment B and agreements associated with it.

8. ANY BREACH BY DISTRIBUTED GENERATOR OF THE FOREGOING REPRESENTATIONS AND WARRANTIES IS, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO SCE UNDER APPLICABLE LAW, GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH DISTRIBUTED GENERATOR, AND, DEPENDING ON THE NATURE OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE DGS RFP IN ITS ENTIRETY.

*[Company Name]*

By:

\_\_\_\_\_

*[Title]*

Date:

**EXHIBIT C**  
**Non-Disclosure Agreement**

*Distributed Generator and Designated Load Customer must electronically accept the terms and conditions of this Non-Disclosure Agreement by no later than the Proposal due date by selecting “Yes” to the input field contained in Section E of the DGS Proposal Template. The DGS Proposal Template can be downloaded from [on.sce.com/dgs](http://on.sce.com/dgs).*

## **NON-DISCLOSURE AGREEMENT**

**Between**

**SOUTHERN CALIFORNIA EDISON COMPANY**

**and**

*[Distributed Generator] and [Designated Load Customer]*

This Non-Disclosure Agreement (“Agreement”) dated as of \_\_\_\_\_ (“Effective Date”) is hereby entered into by and between **SOUTHERN CALIFORNIA EDISON COMPANY** (“SCE”), a California corporation, *[Distributed Generator]*, a *[Legal Status of Seller]* (“Distributed Generator”), and *[Designated Load Customer]*, a *[Legal Status of Seller]* (“Designated Load Customer”).

SCE, Distributed Generator, and Designated Load Customer shall sometimes be referred to in this Agreement individually as a “Party” and jointly as the “Parties.”

### RECITALS

- A. SCE initiated a Distributed Generation Solutions (“DGS”) Request for Proposals (“RFP”) to supply generating capacity on a designated distribution circuit on June 16, 2014, with a goal of negotiating and executing a Distributed Generation Solution Agreement with Distributed Generators whose proposals are selected pursuant to the DGS RFP, and a Designated Load Agreement with Distributed Generators and associated Designated Load Customers.
- B. Distributed Generator desires to submit a proposal in response to the DGS RFP.
- C. The Parties desire to keep confidential any confidential or proprietary information disclosed by Distributed Generator and Designated Load Customer to SCE as part of Distributed Generator’s submission of a proposal in response to the DGS RFP (the “Proposal”), or any confidential or proprietary information that may be disclosed by either Party to the other Party as part of discussions or negotiations with Distributed Generator and Designated Load Customer concerning Distributed Generator’s Proposal.

## AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. For purposes of this Agreement, all oral or written (including electronic) communications exchanged between the Parties on or after the Effective Date (as set forth in Section 10 of this Agreement) as part of, or arising out of, the Proposal (including the fact that Distributed Generator has submitted the Proposal and, if applicable, the facts that: (i) SCE has short-listed the Proposal; and (ii) the Parties are negotiating the Proposal) shall be referred to as “Confidential Information.”
2. Each Party agrees to treat Confidential Information as confidential with respect to third parties and shall not disclose Confidential Information except as specifically authorized herein or as specifically agreed to by each Party in writing.

Accordingly, each Party must take all necessary precautions and implement all requisite procedures and practices to protect Confidential Information provided by the other Party. Each Party may disclose Confidential Information only to its employees, directors, advisors, attorneys, consultants or accountants who have a strict need to know solely for the purpose of directly assisting such disclosing Party in evaluating the Proposal (“Permitted Disclosee”), or in subsequent discussions or negotiations regarding the Proposal and so long as such disclosing Party advises each Permitted Disclosee of the confidential nature of the Confidential Information and uses reasonable efforts to prevent or limit the disclosure of Confidential Information by such Permitted Disclosee.

Each Party may also disclose Confidential Information to representatives of its rating agencies who have a strict need to know solely for the purpose of directly assisting such disclosing Party in evaluating the Proposal, so long as such disclosing Party advises the rating agency of the confidential nature of the Confidential Information and uses reasonable efforts to prevent or limit the disclosure of Confidential Information by any such rating agency.

3. Each Party may disclose Confidential Information to the following entities and their staff and divisions thereof in furtherance of the DGS RFP the California Public Utilities Commission (“CPUC”), provided, and notwithstanding any other provision in this Agreement, Distributed Generator and Designated Load Customer may only disclose to the CPUC Confidential Information that is information on the bid and negotiation process of the DGS RFP. In addition, SCE may also disclose Confidential Information to the following entities and their staff and divisions thereof in furtherance of the DGS RFP: (a) the California Energy Commission (“CEC”), (b) the Federal Energy Regulatory Commission (“FERC”), and (iv) the California Independent System Operator (“CAISO”).

Each Party will seek confidential treatment of any Confidential Information submitted by it to the CPUC in a formal proceeding or filing by means that is consistent with



applicable law, including, if applicable, a motion for protective order; *provided*, such Party may disclose Confidential Information under the preceding Paragraph even if the CPUC does not specifically grant confidentiality or issue a protective order. SCE will seek confidential treatment of any Confidential Information submitted by it to the CEC, CAISO, or FERC by appropriate application to or agreement with such entities; *provided*, SCE may disclose Confidential Information under the preceding Paragraph even if no confidentiality or non-disclosure agreements are entered into. Distributed Generator and Designated Load Customer shall provide notice to SCE of any disclosure by Distributed Generator of Confidential Information pursuant to this Section 3 of this Agreement.

Each Party will seek confidential treatment of any Confidential Information provided to the CPUC outside of a formal proceeding or filing by means that is consistent with applicable law.

No Party shall have any liability whatsoever to any other Party in the event of any unauthorized use or disclosure by a governmental or regulatory agency or entity, including, without limitation, the CPUC and all divisions thereof, CEC, FERC, or CAISO, of any Confidential Information or other information disclosed to any of them by such disclosing Party or its representatives.

4. Notwithstanding anything to the contrary set forth herein, the obligations set forth in this Agreement shall not apply to and the term “Confidential Information” shall not include:
  - a. Information which is in the public domain as of the Effective Date or which later comes into the public domain from a source other than from the other Party, its Permitted Disclosee or representatives of its rating agencies;
  - b. Information which SCE, Distributed Generator, or Designated Load Customer, as the case may be, can demonstrate in writing was already known to another Party prior to the Effective Date;
  - c. Information which comes to SCE, Distributed Generator, or Designated Load Customer, as the case may be, from a bona fide third party source not under an obligation of confidentiality; or
  - d. Information which is independently developed by SCE, Distributed Generator, or Designated Load Customer, as the case may be, without use of or reference to Confidential Information or information containing Confidential Information.
5. The Parties agree that irreparable damage would occur if this Agreement were not performed in accordance with its terms or were otherwise breached. Accordingly, a Party may be entitled to seek an injunction or injunctions to prevent breach of this Agreement and to enforce specifically its provisions in any court of competent jurisdiction, in addition to any other remedy to which such Party may be entitled by law or equity.

6. The Parties agree not to introduce (in whole or in part) into evidence or otherwise voluntarily disclose in any administrative or judicial proceeding, any Confidential Information, except as required by law, legal compulsion, or with the written consent of the Party providing the Confidential Information or as SCE, Distributed Generator, or Designated Load Customer may be required to disclose to duly authorized governmental or regulatory agencies, including the CPUC or any division thereof, in order to demonstrate the reasonableness of its actions.
7. Nothing in this Agreement is intended to waive any attorney-client, work-product or other privilege applicable to any statement, document, communication, or other material of a Party or the Parties.
8. Any notice or communication given pursuant to this Agreement shall be in writing and:
  - a. Delivered personally, in which case delivery is given upon written acknowledgment of receipt;
  - b. Mailed by registered or certified mail; postage prepaid, in which case delivery is given on the earlier of the actual date of delivery, as set forth in the return receipt, or three (3) days from the date posted, or
  - c. Delivery by telecopy, in which case delivery is given upon actual receipt of the entire document.

In any of these cases, the writing shall be sent or delivered as follows (subject to change by either Party by notifying the other Party pursuant to this Paragraph):

If to SCE:                      Southern California Edison Company  
    3 Innovation Way  
    Pomona, CA 91768  
    Attention: \_\_\_\_\_

If to Distributed Generator:

*[Name of Distributed Generator]*  
*[Address of Distributed Generator]*  
 Telephone: \_\_\_\_\_  
 Facsimile: \_\_\_\_\_

With copy to:

Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

If to Designated Load Customer:

*[Name of Designated Load Customer]*  
*[Address of Designated Load Customer]*  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

With copy to:

Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

9. This Agreement shall be effective as of the Effective Date and shall terminate on the latest of: (a) the Effective Date of any DGS Agreement or DLA between the Parties, as defined therein; (b) if the Proposal is placed on SCE's short list, notification by either Party that it declines to pursue further negotiations; (c) SCE's notification to Distributed Generator that the Proposal has not been placed on SCE's short list and SCE does not wish to negotiate the Proposal; or (d) SCE abandons the DGS RFP; *provided*, each Party's obligation to protect Confidential Information hereunder shall survive the termination of this Agreement and remain in effect until five (5) years from the Effective Date, or earlier upon the mutual written consent of the Parties or as required by applicable law or decision of the CPUC.
10. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the Parties hereto. This Agreement shall be construed as if each Party was its author and each Party hereby adopts the language of this Agreement as if it were its own.
11. Any waiver of the requirements and provisions of this Agreement shall be in writing. The failure of either Party to enforce at any time any of the provisions of the Agreement or to require at any time performance by the other Party of any of such provisions, shall in no way be construed as a waiver of such provision or a relinquishment of the right thereafter to enforce such provision.
12. This Agreement may not be modified except by a written agreement executed by both Parties.
13. This Agreement shall be interpreted, governed and construed under the laws of the State of California (without giving effect to its conflict of law provisions that could apply to

the law of another jurisdiction) as if executed in and to be wholly performed within the State of California.

14. This Agreement fully expresses the Parties' agreement concerning the subject matter hereof and supersedes any prior agreements or understandings regarding the same subject matter.
15. The signatories hereto represent that they have been duly authorized to enter into this Agreement on behalf of the Party for whom they sign.
16. If any provision hereof is unenforceable or invalid, it shall be given effect to the extent it may be enforceable or valid, and such enforceability or invalidity shall not affect the enforceability or invalidity of any other provision of this Agreement.
17. This Agreement shall be deemed to be executed by both Parties upon the Distributed Generator's acceptance of the terms and conditions by selecting "Yes" in the input field contained in Section E of the DGS Proposal Template submitted in accordance with SCE's RFP Instructions.

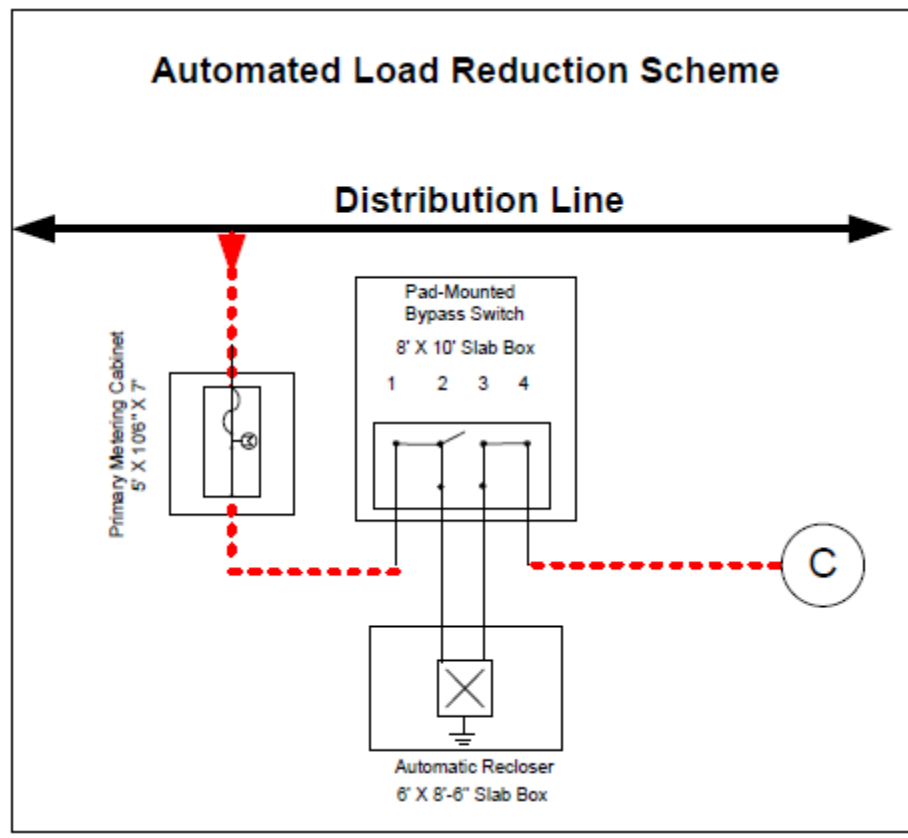
**EXHIBIT D**

*ALRS Description and Cost Estimate*

## Automated Load Reduction Scheme (ALRS)

The ALRS is defined in section 2.02 of these RFP Instructions. Below is a diagram representing a typical ALRS. Details about the specific installation will be determined and set forth in the AFA.

The labor and material for the installation of the ALRS is estimated to be approximately \$255,000. This estimated cost is for a standard installation and is subject to change as a result of final engineering based upon the actual installation needed for the site and the terms of the AFA and DGS Agreement. The Distributed Generator will be responsible for the installation of all ducts and structures needed for the ALRS equipment as well as the monthly Added Facilities charge per the Added Facilities Agreement, which is based upon the labor and material cost for the ALRS. For example: assuming the labor and material for the installation is \$255,000, the typical monthly added facilities charge is \$800.00, which is 0.39% of the total cost of the installation excluding ITCC. Upon early termination of the Added Facilities Agreement with the termination of the DGS Agreement and the removal of the ALRS equipment, SCE will pay to the Distributed Generator the salvage value of the ALRS equipment less the cost to remove the ALRS equipment in cash or in credits, which removal cost is estimated to be approximately \$35,000.





**EXHIBIT E**  
*Project Location Maps*



## Rancho Cucamonga Project

The map below highlights areas to which the Distributed Generator may potentially interconnect to satisfy the terms of the DGSA and DLA. During the technical review of the Proposal SCE will determine if the specific locations proposed for the Distributed Generator and the Designated Load meet the criteria of the DGS Agreement and DLA. Please email [DistributedGenerationSolutions@sce.com](mailto:DistributedGenerationSolutions@sce.com) if you have a question about whether or not a specific facility is located in the highlighted areas.

The color on the map does not indicate a preferred interconnection point or Distributed Generation Facility location. The green highlighted lines indicate areas where valid interconnection points may exist for purposes of this DGS RFP. For more information regarding interconnections for this project, visit SCE's website: <https://www.sce.com/wps/portal/home/procurement/renewable-alternative-power-contract-opportunities>.

